



TOWN OF WICKENBURG

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November 6, 2002

Mr. J. Tyler Carlson, Regional Manager
Western Area Power Administration
Desert Southwest Region
Post Office Box 6457
Phoenix, Arizona 85005-6457

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Date	Initial	Code
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RE: Parker-Davis Reallocation - Opposition to PMI and EPAM: Request for Allocation to Eligible Preference Utilities and Renewal to Wickenburg and Existing Small and Intermediate Sized Customers - Including Cooperatives

Dear Mr. Carlson:

The Town of Wickenburg ("Town") is a small political subdivision of the State of Arizona. It has an allocation of Parker-Davis Power (PD-P) which makes its municipal utility (surrounded by Arizona Public Service) viable and helps the community. It needs an undiminished reallocation of PD-P. Wickenburg believes there is a way for Western to reallocate, but not diminish, PD-P to existing customers of small and intermediate size, like Wickenburg, Thatcher, Fredonia, Electrical District No. 3, and Mesa and distribution cooperatives and at the same time to make a portion of the resource available for new preference utilities.

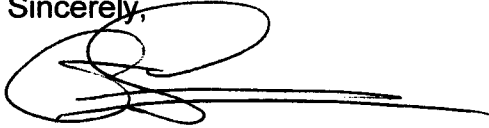
Conditioned on receiving a reallocation of its share of PD-P in a twenty (20) year contract, the Town supports the complete reallocation of Parker-Davis to preference small and intermediate sized utilities and distribution cooperatives and it opposes implementation of the PMI and the EPAM, and opposes using a 6% percent withdrawal pool (such a pool is too small and hurts small entities like Wickenburg, Thatcher, Fredonia, Electrical District No. 3, and Mesa and distribution cooperatives).

Western needs to look at the Parker Davis project historical documents, the legal documents, and the equitable needs of its current customers as well as the needs of new applicants. If some have no longer justification for their contract amounts or are found to be improperly reselling the PD-P, consideration for reduction in the contract amounts should be given. The current proposed loss of 6% hurts Wickenburg and similarly situated small entities in a disproportionate manner. Western should find a way to serve new customers without a 6% pool created by withdrawal from small and intermediate sized entities and distribution cooperatives.

The Town requests a reallocation of the Parker-Davis resource plus a sufficient amount to equal three (3) megawatts. It will supply the appropriate documentation at the appropriate time.

Western should reallocate PD-P in a fair and equitable manner recognizing that small and intermediate sized entities and distribution cooperatives cannot afford any diminishment. Western should market for the greatest good of a larger preference utility customer base but not at the expense of small and intermediate sized entities and distribution cooperatives. If the Town's suggestion is adopted, none of the small or intermediate sized current Parker-Davis customers, including the Cooperatives, would lose any allocation and some of the needs of a larger customer group could be met.

Sincerely,

A handwritten signature in black ink, appearing to be 'Gerald Stricklin', with a large, stylized initial 'G' and a long horizontal stroke extending to the right.

Gerald Stricklin,
Interim Town Manager